



*Quality is Our Bottom Line*

**Testimony of the Connecticut Association of Health Plans  
Regarding Senate Bill 30, An Act Concerning Consumer Privacy and Identity Theft  
General Law Committee  
February 26, 2008**

The Connecticut Association of Health Plans comprised of Aetna, CIGNA, Community Health Network of Connecticut, ConnectiCare, Health Net, Oxford Health Plans, UnitedHealthcare and WellCare of Connecticut, respectfully submits the following comments on Senate Bill 30 AAC Consumer Privacy and Identity Theft.

While the overarching objective of the bill, namely the safeguarding of access to personal identifying information, is laudable we are concerned about the practical implications of its implementation. We believe that the focus of the legislation should be on the security of the data that is collected and not a unilateral prohibition against the use of the only unique identifier that exists.

We in the insurance industry, like all businesses covered by the bill, take our responsibility to secure and protect our members' sensitive data very seriously. While many of the businesses subject to the bill are subject to privacy protections contained within the Gramm-Leach-Bliley Financial Modernization Act of 1999, we in the health insurance industry and those in the health care delivery system, are mandated to do so under the U.S. Department of Health and Human Services' Privacy Rule to implement the Health Insurance Portability and Accountability Act of 1996, commonly referred to as HIPAA. Under the Privacy Rule, covered entities such as health insurers, are permitted to use and disclose "individually identifiable health information" which includes an individual's birth date and Social Security number, only to that individual or for the purposes of treatment, payment and health care operations, all occasions for which are strictly defined under 45 C.F.R. Section 160.103. Health care providers and state and federal governmental agencies use Social Security numbers as a means to ensure that the individual in question is who he/she professes to be. The impact on the delivery of health care, from the provider that treats the patient, to the payer community that pays for the claim associated with that care, would be monumental if insurers were not able to use social security numbers.

In addition to the prohibitions contained within Section 8, we are concerned about the additional prohibitions against the use of an individual's date of birth or age under the definitions contained within Section 12. Section 13 invokes those prohibitions against the printing of an individual's Social Security number, date of birth or age on anything that is sent to the individual in question. As you would expect, beyond our need to use the Social Security number as a unique identifier, access to the individual's age is often a determining factor in the health care treatment that they receive, making that information critical as well.

The Connecticut General Assembly has gone to great lengths, most notably in 2003 with the adoption of Public Act 03-156, to curtail the use and disclosure of Social Security numbers. We respectfully request that the General Law Committee consider pursuing stricter penalties for the security of the databases that contain electronic identifying information that expose the individual to the risk of theft, as opposed to an outright ban of the use of that information.

Thank you for your consideration.